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Conference of the States Parties to the United Nations Convention against Corruption

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Open-ended Intergovernmental Working Group on Asset Recovery
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Item 2 of the provisional agenda*
Overview of progress made in the implementation of asset recovery mandates

Progress report on the implementation of the mandates of the Open-ended Intergovernmental Working Group on Asset Recovery

Note by the Secretariat

I. Introduction

1. In its resolution 1/4, adopted at its first session, the Conference of the States Parties to the United Nations Convention against Corruption established the Open-ended Intergovernmental Working Group on Asset Recovery to advise and assist the Conference in the implementation of its mandate on the return of proceeds of corruption.

2. In the same resolution, the Conference tasked the Working Group with, inter alia, assisting the Conference in developing cumulative knowledge in the area of asset recovery, facilitating the exchange of information, good practices and ideas among States, and building confidence and encouraging cooperation between requesting and requested States.

3. At its second to seventh sessions, the Conference decided to continue the work of the Working Group. The Working Group held its first through eleventh meetings annually in Vienna from 2007 to 2017.

4. The present note has been prepared to inform the Working Group at its twelfth meeting about the status of implementation of its recommendations and of those of the Conference relating to asset recovery. Its purpose is to assist the Working Group in its deliberations and in determining its future activities.

* CAC/COSP/WG.2/2018/1

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II. Overview of the status of implementation of the recommendations of the Conference of the States Parties and the Working Group

5. Previous meetings of the Working Group have focused on three main themes: (a) developing cumulative knowledge; (b) building confidence and trust between requesting and requested States; and (c) technical assistance, training and capacity-building.

6. With respect to the development of cumulative knowledge on asset recovery, the Working Group has expressed its continued interest in the development of knowledge products and related tools that would facilitate legislative reforms in the area of asset recovery.

7. The importance of confidence and trust between requesting and requested States for asset recovery has been stressed, in particular as a means of increasing political will, developing a culture of mutual legal assistance and paving the way for successful international cooperation.

8. The Working Group has discussed types of technical assistance relevant to asset recovery, such as capacity-building and training, gap analyses, assistance in drafting new legislation and the facilitation of the mutual legal assistance process, and has recognized the urgent and constant need to provide training.

9. The Working Group repeatedly emphasized its role in contributing knowledge and expertise to the outcomes of the reviews relating to the asset recovery chapter in the second cycle of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption.

10. The Working Group has repeatedly noted the need to strengthen coordination between various initiatives in asset recovery. In that regard, the work of the Stolen Asset Recovery (StAR) Initiative of the United Nations Office on Drugs and Crime (UNODC) and the World Bank with developing countries and financial centres has been noted.

A. Developing cumulative knowledge

1. Tools for improving asset recovery and efforts for their wide dissemination

11. The Working Group has consistently given high priority to the availability, creation and management of knowledge on asset recovery. During the reporting period, the Working Group reiterated that knowledge products need to be based on broad consultations with experts from different regions and legal systems.

12. During the reporting period, the Working Group also highlighted that tools and knowledge products needed to be widely disseminated, and that follow-up on their effectiveness and usefulness should be considered by the Conference or the Working Group.

13. The Working Group has particularly commended the progress made by the secretariat on the United Nations Convention against Corruption legal library and the Tools and Resources for Anti-Corruption Knowledge (TRACK) comprehensive portal developed by UNODC (available at www.track.unodc.org).

14. Previously, the Working Group called upon States parties to provide regular updates on the information contained in the relevant databases on asset recovery, and recommended to further pursue the collection and systematization of good practices and tools, including for enhancing early and spontaneous information exchange.

15. The Working Group has stressed the usefulness of the existing knowledge products, including those of the StAR Initiative, in building national capacity, and has

requested the secretariat to prepare a list of those products and to ensure their widest possible dissemination.

16. In its resolution 7/1, the Conference called upon States parties to continue their efforts to develop good practices on asset recovery, which contributed to the achievement of the Sustainable Development Goals, and encouraged UNODC to identify good practices and challenges in asset recovery.

17. In the same resolution, the Conference requested the Secretariat, in consultation with States parties, to continue to collect information on the legal framework, legal procedures and judicial actions taken by States parties to recover proceeds of crime derived from corruption under the Convention. In that respect, the information gathered during the first and second review cycles of the Implementation Review Mechanism and the information shared in panel discussions and studies should be taken into account. In the same resolution, the Conference encouraged States parties to make widely available information in this regard, in order to share good practices.

18. In the resolution, the Conference also encouraged States parties to make use of the non-binding Lausanne guidelines for the efficient recovery of stolen assets and the supporting step-by-step guide, when implementing the obligation, pursuant to the Convention, to provide international cooperation for asset recovery.

19. At its previous meetings, the Working Group stressed the importance of modern information technology in developing cumulative knowledge, and requested the secretariat to continue its work to expand the Mutual Legal Assistance Request Writer Tool and to develop similar products.

Action taken

20. The legal library, part of the TRACK web-based platform launched by UNODC on 1 September 2011, contains laws, jurisprudence and information on anti-corruption authorities from over 180 jurisdictions worldwide. Developed and administered by UNODC and supported by the StAR Initiative and partner organizations, the legal library collects and disseminates indexed and searchable legal information according to each provision of the Convention. Legal data received in the context of the Implementation Review Mechanism and validated by States parties under review, including judicial decisions rendered in asset recovery cases, are used to update the information contained in the legal library.

21. At the request of the Working Group, a special section of the TRACK portal is dedicated to asset recovery.[1] This section combines in one place all relevant information and links to data available on asset recovery, i.e., States' legislation relevant to chapter V of the Convention.

22. In addition to the information available through TRACK, a number of policy studies addressing knowledge gaps in specific areas of asset recovery have been produced, including through the StAR Initiative. The process of translating these studies into the six official languages of the United Nations is ongoing and subject to available resources.

23. Additional asset recovery tools are available online. They include: StAR Asset Recovery Watch, a database maintained by the StAR Initiative that tracks efforts by prosecution authorities worldwide to pursue assets that stem from corruption; the StAR Initiative Database of Settlements, which documents more than 500 settlements in cases of transnational bribery that accompanies the StAR Initiative study entitled *Left out of the Bargain: Settlements in Foreign Bribery Cases and Implications for Asset Recovery*; the knowledge products published by the StAR Initiative; the country guides for asset recovery prepared as part of the Action Plan on Asset Recovery of the Deauville Partnership with Arab Countries and other

[1] Available at www.track.unodc.org/assetrecovery/Pages/home.aspx.

country-specific guides; and the step-by-step guides on requesting mutual legal assistance in criminal matters developed by the Group of 20 (G-20) countries.

24. UNODC has contributed to the Lausanne process organized by the International Centre for Asset Recovery of the Basel Institute on Governance, the StAR Initiative and the Government of Switzerland. As part of the process, seminars specifically aimed at asset recovery practitioners have been hosted in Lausanne, Switzerland, since 2001. After finalizing the work on a step-by-step guide to support the practical application and implementation of the Lausanne guidelines for the efficient recovery of stolen assets in 2017, an online tool developed by the co-organizers was launched at the seventh session of the Conference of the States Parties. The guidelines were used as a framework for training in StAR Initiative country engagements and during various recent regional events.

25. UNODC completed its work on upgrading the Mutual Legal Assistance Request Writer Tool, a practical tool designed to assist criminal justice practitioners in expeditiously drafting mutual legal assistance requests, thereby enhancing cooperation between States. In its redeveloped form, the tool integrates features on asset recovery and additional forms and means of international cooperation in criminal matters, including the transfer of criminal proceedings, videoconferencing and, to the extent applicable, joint investigations and international cooperation to conduct controlled deliveries. It also contains an electronic evidence module to facilitate the drafting of mutual legal assistance requests to combat cybercrime and other criminal activities for which electronic evidence is located overseas or exists on the web and/or darknet. UNODC is in the process of preparations for making the tool available to practitioners as an HTML-based stand-alone simple application capable of running on all devices (including tablets and mobile phones). The tool will be available free of charge and will be downloadable from the UNODC website. The tool will be gradually made available in the six official languages of the United Nations.

26. As part of the deliverables for the Global Forum on Asset Recovery, the StAR Initiative has been assisting country authorities in creating beneficial ownership guides for investigators and other interested parties looking for information on the identity of the beneficial owners of an entity incorporated under the laws of a specific foreign jurisdiction. The initiative was launched in 2014 during the third Arab Forum on Asset Recovery and was continued in 2016 as part of the work of the G-20 Anti-Corruption Working Group in 2016. New or updated beneficial ownership guides for Brazil, Italy, Latvia, Nigeria, Ukraine, and the United Kingdom of Great Britain and Northern Ireland were published in 2017 and 2018. A guide for Switzerland is forthcoming.[2]

27. UNODC has fully incorporated modern information technology in the resources developed to support the asset recovery process. All tools and knowledge products developed by UNODC and the StAR Initiative have been made available on the Internet. In addition to those listed above, UNODC also maintains the directories of asset recovery focal points and central and competent authorities under the United Nations Convention against Corruption and, through the StAR Initiative, is involved in the Global Focal Point Initiative supported by the International Criminal Police Organization (INTERPOL) and the StAR Initiative.

28. Efforts are made to actively disseminate knowledge products in various forums, including expert group meetings, training workshops and regional conferences.

2. Close cooperation with financial institutions and financial intelligence units, and greater effectiveness of financial investigations

29. At its third session, the Conference of the States Parties underlined that financial institutions should adopt and implement effective standards of due diligence and financial disclosure as previously highlighted by the Working Group, which had noted

[2] The beneficial ownership guides are available at https://star.worldbank.org/star/content/beneficial-ownership-guides.

the need to increase the responsibility of financial institutions and the financial intelligence units overseeing them. The Working Group also recommended including such institutions in the development of cumulative knowledge on asset recovery. It further encouraged the work on the preventive measures contained in chapter V of the Convention and placed emphasis on effective financial investigations.

30. In its resolution 6/2, the Conference urged States parties to take measures, including to ensure compliance by financial and designated non-financial institutions, to identify, trace, seize, recover and return the proceeds of crime and funds of illicit origin.

Action taken

31. Under its Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism, UNODC mentors and experts continued to assist Member States in building effective systems against money-laundering and the financing of terrorism, including by strengthening financial intelligence units, the analysis of financial information and the development of financial intelligence, as well as the investigation of money-laundering, the disruption of illicit financial flows and interdiction of cash smuggling and the investigation of cryptocurrencies.

32. In addition, cooperation with the Financial Action Task Force (FATF) and FATF-style regional bodies has continued. For example, UNODC is working with the Middle East and North Africa Financial Action Task Force on a collaborative study highlighting the links between corruption and money-laundering, with a specific focus on countries in the Middle East and North Africa region. UNODC has also signed a cooperation agreement with the Inter-Governmental Action Group against Money-Laundering in West Africa to assist countries in West Africa in enhancing their capacities to combat money-laundering.

33. UNODC also supported a number of regional asset recovery networks (see para. 67 below). The Global Programme against Money-Laundering has been organizing regular meetings of operational experts to exchange information on large criminal financial networks capable of moving billions of dollars in crime proceeds. UNODC has started a joint project with the European Union Agency for Law Enforcement Training to train the trainers on financial investigations so as to develop anti-money-laundering capacities in the West Balkans.

3. Gathering of information on international cooperation in civil and administrative proceedings relevant to asset recovery

34. In its resolution 5/3, the Conference requested the Secretariat to invite States parties to provide, to the extent possible, information on mutual legal assistance in civil and administrative proceedings for the identification, freezing and confiscation of assets in accordance with article 43, paragraph 1, and article 46, paragraph 7, of the Convention. A similar mandate was contained in resolution 5/1, entitled "Enhancing the effectiveness of law enforcement cooperation in the detection of corruption offences in the framework of the United Nations Convention against Corruption".

35. In its resolution 6/4, entitled "Enhancing the use of civil and administrative proceedings against corruption, including through international cooperation, in the framework of the United Nations Convention against Corruption", the Conference invited Member States to continue to provide to the Secretariat information on civil and administrative proceedings relating to corruption, when feasible and on a voluntary basis, in order to identify the scope of assistance that could be provided in relation to such proceedings, as well as to provide information about good practices and tools relevant to the implementation of article 53 of the Convention. The Conference further requested the Secretariat to continue collecting and disseminating such information by, inter alia, reporting to the Conference and its relevant subsidiary bodies, including by providing suggestions regarding technical assistance needs and mechanisms to provide such assistance, and developing a study to identify best

practices and ways to facilitate cooperation on the matter, subject to the availability of resources.

36. In its resolution 7/1, the Conference requested the Secretariat to continue, within existing resources, to collect statistics or other relevant information on the use of the Convention as a legal basis for mutual legal assistance, unless a bilateral and regional arrangement applied, and, where appropriate and consistent with domestic legal systems, in relation to civil and administrative proceedings and asset recovery, and to make the information available to the Conference.

37. The Working Group recommended that further information should be collected regarding international cooperation in order to identify the scope of assistance that could be provided in relation to civil and administrative proceedings.

Action taken

38. In February 2018, in accordance with resolution 7/1, the Secretariat circulated a note verbale seeking information on the issues mentioned above.

39. Based on the information received as of 15 March 2018, the Secretariat prepared a report on the progress made in implementing the mandates of the open-ended intergovernmental expert meeting to enhance international cooperation under the United Nations Convention against Corruption (CAC/COSP/EG.1/2018/2).

4. Gathering information on States' practical experience in the management, use and disposal of frozen, seized and confiscated assets and on best practices in addressing the administration of seized assets

40. In its resolution 7/1, the Conference encouraged States parties and UNODC to continue sharing experiences on the management of frozen, seized and confiscated assets, identifying best practices as necessary and building on existing resources, and to consider developing non-binding guidelines on this issue. It further encouraged States parties to make full use of the possibility of concluding agreements or mutually acceptable arrangements for the return and final disposal of confiscated property pursuant to article 57, paragraph 5 of the Convention and to consider the Sustainable Development Goals in the use and management of recovered assets, while fully respecting the principles of sovereign equality and the territorial integrity of States and of non-intervention in the domestic affairs of other States, in line with article 4 of the Convention.

41. At its eleventh meeting, the Working Group welcomed the study on the effective management and disposal of seized and confiscated assets contained in CAC/COSP/WG.2/2017/CRP.1 and encouraged the secretariat to continue its work on good practices in that regard.

42. The Working Group also noted with appreciation the results of the international expert meeting on the management and disposal of recovered and returned stolen assets and encouraged further compilation of experiences with a view to identifying good practices in that regard.

43. In addition, the Working Group recommended further work on the identification of good practices employed by States parties in that area, including the use of recovered assets to support the achievement of the Sustainable Development Goals. In that respect, gathering additional information on experiences in concluding arrangements and agreements for the disposal of recovered assets in line with the Convention, and analysis of that information, as well as information that was being accumulated through the second cycle of the Implementation Review Mechanism, could provide a useful basis for further discussions on the issue by the Working Group.

Action taken

44. UNODC has prepared a study on the effective management and disposal of seized and confiscated assets, which has been submitted to the Conference of the States parties (CAC/COSP/2017/CRP.8 and e-book publication). The study was aimed at assisting those directly tasked with developing legislative, policy and institutional frameworks on the management and disposal of these assets and covered the experiences of 64 States. An updated version of the study is under preparation and is expected to be available by the end of 2018. States parties are welcome to submit updated information.

45. The secretariat further prepared draft non-binding guidelines on the management of frozen, seized and confiscated assets. The draft was reviewed and validated at an international expert group meeting held in Washington, D.C. on 7 and 8 December 2017, with 46 experts representing 24 States and 2 international organizations, and is being brought to the attention of the Working Group in document CAC/COSP/WG.2/2018/3.

46. With a view to advancing the work to strengthen the recovery and return of stolen assets as included in target 16.4 of the 2030 Agenda for Sustainable Development, UNODC, supported jointly by Ethiopia and Switzerland, has started a process to identify good practices in managing and disposing of recovered and returned stolen assets in support of sustainable development. The first expert group meeting under this initiative was held in Addis Ababa in February 2017. It brought together, for the first time, practitioners working on asset recovery and return, and practitioners working on financing for development.

47. Participants in the expert group meeting agreed that, while the nominal value of recovered assets was high, returned assets could provide for only a small portion of the funds needed to support the Sustainable Development Goals. Furthermore, they emphasized that returned assets should not be left vulnerable to renewed theft, but should instead be used to support investment in support of the Sustainable Development Goals. They concluded that more work was required in three work streams: (a) management of seized and confiscated assets pending return; (b) the end use or disposal of returned assets, including in support of the Sustainable Development Goals; and (c) modalities and negotiation of agreements for returning seized and confiscated assets.

5. Gathering of information on the volume of assets seized, confiscated and returned or disposed of by States

48. In its resolution 6/3, the Conference invited States parties, in accordance with national legislation and policies, to collect and make public data on the volume of assets seized, confiscated and returned or disposed of by their jurisdictions.

Action taken

49. Collecting and publishing data on the volume of assets seized, confiscated and returned or disposed of is a complex issue, yet it is important to assess actual progress. In particular, collecting data is crucial to measure progress towards achieving the Sustainable Development Goals, especially target 16.4 ("By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime"). While some States parties have statistical systems in place, those systems do not necessarily produce data that are internationally comparable over time. Also, weaknesses in the national statistics systems were one of the most frequently identified challenges in the country reviews in the first cycle of the Implementation Review Mechanism.

50. To support States parties in collecting such data, the secretariat presented the Working Group with several possibilities for further discussion (see CAC/COSP/WG.2/2017/3, paras. 48–50).

51. The Working Group may wish to discuss whether this issue should be pursued further.

6. Gathering of information on approaches to transparency of beneficial ownership

52. The Working Group noted the initiative of the secretariat to organize, with support from the Russian Federation, an expert group meeting on transparency of beneficial ownership, and requested the secretariat to update the Working Group on the outcomes of that meeting.

Action taken

53. In execution of this mandate, the secretariat convened an international expert group meeting in Vienna from 3 to 4 October 2017. On the basis of preparatory research and in the light of recent developments, the meeting reviewed the conclusions and recommendations contained in the study *The Puppet Masters: How the Corrupt Use Legal Structures to Hide Stolen Assets and What to Do about It*, published by the StAR Initiative. The meeting discussed whether new legislation, policy developments and cases of grand corruption that had emerged after the cut-off date for the study confirmed the conclusions and recommendations of the original study, or, instead, indicated new trends. The meeting was attended by more than 30 participants from the public and private sectors, international organizations and non-governmental organizations. A full report of the meeting was made available to the ninth session of the Implementation Review Group (CAC/COSP/IRG/2018/7).

7. Future work of the Working Group

54. In its resolution 7/1, the Conference invited the Working Group to propose future agenda items, and decided that the Working Group should continue its work by, inter alia:

(a) Continuing its efforts to gather information on and conduct enhanced analysis of best practices for the identification and compensation of all different types of victims in accordance with the Convention, including, as necessary, by soliciting information from States parties, facilitating exchanges among experts and organizing expert panels, while taking into consideration similar work undertaken at prior meetings of the Working Group, by expert panels and in discussions;

(b) Conducting analysis on third-party challenges and their impact on asset recovery under chapter V;

(c) Continuing to collect data on best practices, with a view to developing non-binding guidelines concerning the timely sharing of information to enable States parties to take appropriate action, in accordance with article 56 of the Convention;

(d) Conducting an analysis of how communication and coordination between various asset recovery practitioner networks could be improved, with a view to developing guidelines for the proactive and timely sharing of information, as mentioned in subparagraph 28 (c).

Action taken

55. In carrying out this mandate, the secretariat has prepared a note on the proposed workplan of the Working Group, 2018–2019 (CAC/COSP/WG.2/2018/4).

56. For the present meeting of the Working Group, the workplan provides for a thematic discussion on the timely sharing of information in accordance with article 56 of the Convention, and improving communication and coordination between various asset recovery practitioner networks.

57. To assist the Working Group in the preparation of that thematic discussion, the secretariat has prepared a document on the timely sharing of information in accordance with article 56 of the Convention and improving communication and coordination between various asset recovery practitioner

networks (CAC/COSP/WG.2/2018/5, see also CAC/COSP/WG.2/2017/2 and CAC/COSP/2017/8).

B. Building confidence and trust between requesting and requested States

1. Central authorities, asset recovery focal points and networks

58. The Working Group has requested the secretariat to invite those Member States that have not yet done so to designate a central authority for mutual legal assistance. The Conference made a similar request to all States parties.

59. The Conference has requested the Working Group to continue to consider the issue of establishing a global network of asset recovery focal points as a network of practitioners, without duplicating existing networks, to facilitate more effective cooperation. The Working Group has underlined the need for a global network of focal points on asset confiscation and recovery with technical expertise, and has emphasized the need for collaboration and coordination between regional networks.

60. The Conference, in its resolution 6/3, encouraged States parties to apply lessons learned in all areas of asset recovery cooperation through, inter alia, enhancing international cooperation, including through participation in international law enforcement networks, such as the asset recovery focal points under the Convention, the Global Focal Point Initiative supported by INTERPOL and the StAR Initiative, and the Camden Asset Recovery Inter-Agency Network, as well as regional initiatives such as the Arab Forum on Asset Recovery.

61. In its resolution 7/1, the Conference urged States parties to ensure that the information provided regarding their central and competent authorities, in line with article 46, paragraph 13, of the Convention, was up to date, in order to enhance the dialogue on mutual legal assistance.

62. The Working Group has recommended that UNODC explore how the database of asset recovery focal points could be amended to make it possible to ascertain the contact details of persons in other jurisdictions.

63. The Working Group has also urged States parties to continue to work towards identifying and addressing practical barriers to cooperation in asset recovery and towards finding solutions.

Action taken

64. The online directory of competent national authorities, including central authorities for mutual legal assistance and asset recovery focal points, is available at www.unodc.org/compauth_uncac/en/index.html.

65. The secretariat continued to update the online directory. As of 27 March 2018, it contained information on:

(a) Central authorities for mutual legal assistance in 129 States parties;

(b) Prevention authorities in 112 States parties;

(c) Asset recovery focal points in 80 States parties;

(d) Central authorities on extradition in 23 States parties;

(e) Focal points for international cooperation in the use of civil and administrative proceedings in 32 States parties.

66. The Global Focal Point Initiative supported by INTERPOL and the StAR Initiative was launched in January 2009 to support the investigation and prosecution of corruption and economic crime through international cooperation and informal assistance for the purpose of identifying, tracing, freezing and ultimately recovering the proceeds of corruption and economic crime. Focal points can exchange

information and technical knowledge on corruption and asset recovery through the secure communication system for asset recovery (I-SECOM). As of 21 March 2018, 234 dedicated focal points representing 133 countries were participating in the platform. Following the seventh Global Focal Point Conference on Asset Recovery, which was co-hosted by the Royal Canadian Mounted Police in Ottawa from 6 to 8 June 2017, preparations are being discussed for the next Global Focal Point Conference, to be held in early 2019.

67. UNODC and the StAR Initiative continued their support for the strengthening of regional networks engaged in asset recovery and confiscation. At the time of reporting, there were six regional networks, all following the model of the Camden Asset Recovery Inter-Agency Network:

(a) The Asset Recovery Inter-Agency Network for Southern Africa (ARIN-SA) is composed of 13 countries and provides a community platform to facilitate the exchange of information and a wildlife and forestry crime platform through which it is linked to the Asset Recovery Inter-Agency Network for Asia and the Pacific. ARIN-SA runs a mentor programme and a prosecutor placement programme and is due to commence an investigator placement programme. ARIN-SA collects statistics on seizures and confiscations by its member States;

(b) In October 2017, The Asset Recovery Network for West Africa and the Network of West African Central Authorities and Prosecutors against Organized Crime held a joint plenary in Conakry. UNODC is assisting the Asset Recovery Network for West Africa in the operationalization of its secretariat;

(c) The StAR Initiative participates in meetings of the Asset Recovery Network of the Financial Action Task Force of Latin America as an observer. The 19 member States and 5 international organizations of the Asset Recovery Network established by the Task Force countries have increased operational capacity to investigate non-conviction-based confiscation cases more effectively as a result of the exchange of technical knowledge and stronger relationships between the countries;

(d) The StAR Initiative has worked with the Asset Recovery Inter-Agency Network for Eastern Africa (ARIN-EA) and facilitated training workshops in the past;

(e) The Asset Recovery Inter-Agency Network for Asia and the Pacific held its steering committee and annual general meeting in September 2017 in Tokyo, in which UNODC and the StAR Initiative participated as observers;

(f) The Asset Recovery Inter-Agency Network for the Caribbean was inaugurated in June 2017 with the support of the Organization of American States.

68. At the time of writing, the StAR Initiative was finalizing a publication intended to serve as a directory to various asset recovery networks, providing for each network certain basic information, what it can offer and its contact information. The publication will be presented to the Working Group at its twelfth meeting.

2. Cooperation between financial intelligence units and anti-corruption agencies

69. The Working Group has recommended strengthening cooperation between financial intelligence units, anti-corruption authorities and central authorities responsible for mutual legal assistance at the national and international levels. Further cooperation with existing networks and institutions such as the Egmont Group of Financial Intelligence Units and the International Association of Anti-Corruption Authorities should be explored.

70. The Conference, in its resolution 6/3, encouraged States parties to consider making use of opportunities for cooperation through existing practitioner-based networks, such as the asset recovery focal points under the Convention, the Global Focal Point Initiative, and the Camden Asset Recovery Inter-Agency Network, and information provided at the financial intelligence unit level, in the course of making requests for mutual legal assistance.

Action taken

71. UNODC works closely with and supports the activities of the International Association of Anti-Corruption Authorities and participates in its Executive Committee.

72. UNODC continues to be involved in activities of the Egmont Group, and the StAR Initiative participated in the Egmont Group meetings in Argentina from 14 to 18 March 2018.

73. Both the UNODC Global Programme against Money-Laundering, Proceeds of Crime and the Financing of Terrorism and the StAR Initiative continued to work with financial intelligence units to assist them in joining the Egmont Group and in implementing the Egmont standards for the exchange of information on countering money-laundering and the financing of terrorism. The UNODC Global Programme against Money-Laundering also continued to promote inter-agency cooperation and to highlight the fact that any anti-money laundering/countering the financing of terrorism regime will fail without such cooperation, especially without cooperation between financial intelligence units and anti-corruption agencies.

74. The StAR Initiative is finalizing a new publication on financial intelligence units working with law enforcement authorities and prosecutors, which will highlight the importance of cooperation. The publication will be based on a joint study by the World Bank, the Egmont Group and UNODC. Its main purpose is to support the implementation of international standards for countering money-laundering and the financing of terrorism and to suggest solutions in areas currently not governed by international standards. The findings and recommendations presented in the publication may serve as a basis for the Egmont Group and other international bodies to improve their policies related to cooperation between financial intelligence units on one hand and law enforcement agencies and prosecutors on the other.

3. Promoting dialogue and removing barriers to asset recovery

75. Prior to the first Global Forum on Asset Recovery, the Working Group emphasized the need for the Secretariat to further strengthen its work with regard to promoting dialogue between requested and requesting States; building trust and confidence and nurturing and further strengthening political will in ensuring asset recovery, including in its work with other intergovernmental organizations, in organizing the first Global Forum on Asset Recovery and in the context of G-20.

76. In its resolution 5/3, the Conference called upon States parties to give particular and timely consideration to the execution of international mutual legal assistance requests that needed urgent action, including those related to the States concerned in the Middle East and North Africa, as well as other requesting States.

77. In its resolution 6/2, the Conference called upon States parties to give particular and timely consideration to the execution of requests for mutual legal assistance in asset recovery, and in resolution 6/3 it encouraged States parties to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse.

78. In its resolution 7/1, the Conference urged States parties, where appropriate and in accordance with their domestic legal principles, to remove barriers to asset recovery, including by simplifying legal procedures, while preventing their abuse, and by processing requests for assistance without delay, in order to enhance international cooperation under chapters IV and V of the Convention, acknowledging the fundamental principles of due process of law in criminal proceedings and in civil or administrative proceedings to adjudicate property rights.

79. In the same resolution, the Conference called upon States parties to afford one another the widest measure of cooperation, in line with article 51 of the Convention, and to make increased efforts to ensure the return or disposal of confiscated property in accordance with article 57 by taking measures to the greatest extent possible within their domestic legal systems:

(a) To prevent, detect and deter in a more effective manner the international transfer of proceeds of crime derived from corruption;

(b) To identify, trace, seize, recover and return proceeds of crime derived from corruption, including by taking measures to enhance compliance by banks and designated non-bank financial institutions.

80. The Working Group has recommended exploring the feasibility of adopting a help desk approach to asset recovery to give advice during the initial stages of a case in an informal manner and to refer requesters to counterparts who would be able to provide further assistance.

Action taken

81. UNODC, including through the StAR Initiative, is actively engaged in advocacy in a number of international forums to strengthen political will, including the Anti-Corruption and Transparency Working Group of Asia-Pacific Economic Cooperation (APEC), INTERPOL, the European Union and Eurojust, the Group of Seven (G-7), the G-20 Anti-Corruption Working Group and the World Economic Forum, in particular its Partnering against Corruption Initiative.

82. UNODC continued to raise awareness about the importance of the ratification and full implementation of the United Nations Convention against Corruption, emphasizing the importance of its provisions on asset recovery, as an observer at the meetings of the G-20 Anti-Corruption Working Group. UNODC supported the implementation of the G-20 Anti-Corruption Action Plans for the period 2017–2018.

83. UNODC and the StAR Initiative participated in various meetings related to money-laundering in order to promote coordination with regard to asset recovery. The StAR Initiative has continued its close working relationship with FATF, especially in the FATF plenary meetings, and has continued to participate in relevant meetings and consultations with FATF-style regional bodies.

84. The International Anti-Corruption Coordination Centre (IACCC), whose establishment had been recommended by the Anti-Corruption Summit held in London in May 2016, became operational in 2017. Its purpose is to provide countries with timely support for the recovery of stolen assets. UNODC and the StAR Initiative have been in contact with authorities involved in setting up IACCC to coordinate the preparation of its operationalization, and have invited IACCC to participate in various meetings.

85. At the Anti-Corruption Summit, States also decided to convene the Global Forum on Asset Recovery in 2017 to provide a venue for countries seeking to advance the recovery of assets. The Forum was held in Washington, D.C. from 4 to 6 December 2017. It was co-hosted by the United Kingdom and the United States of America and supported by the StAR Initiative. Nigeria, Sri Lanka, Tunisia and Ukraine were the focus countries at the Forum. The Global Forum's deliverables included progress on cases achieved by the four focus countries, increased capacity through technical meetings, renewed commitment to advancing asset recovery cases, and increased collaboration among the jurisdictions involved. The Global Forum built on the previous experiences of the Arab Forum on Asset Recovery and the Ukraine Forum on Asset Recovery. As the Global Forum was aimed at achieving progress in asset recovery, the StAR Initiative worked through its country engagements with the four focus countries, organized more than 80 case coordination meetings for practitioners of the relevant jurisdictions and provided an enabling environment for in-depth discussions and for advancing specific cases. On the margins of the Global Forum, a side event was held on the Arab Forum to discuss lessons learned of the process under the Deauville Partnership with Arab Countries.

86. UNODC was a co-organizer, together with China and Thailand, of the APEC workshop on asset recovery, held from 20 to 22 March 2018 as part of the activities of the APEC Anti-Corruption and Transparency Working Group.

C. Technical assistance, training and capacity-building

87. The Working Group has emphasized the high demand for technical assistance in the implementation of chapter V of the Convention, especially for legal advisory services, and the need for tailor-made approaches. It has emphasized the importance of providing technical assistance in the field of mutual legal assistance to officials and practitioners to enable them to draft requests and responses to requests.

88. The Working Group has also emphasized the importance of strengthening the capacity of legislators, law enforcement officials, judges and prosecutors on relevant matters and has stressed the need for specialized training and capacity-building activities, and the importance of granting sufficient resources to UNODC and other relevant assistance providers. In addition to activities such as seminars and training courses, the Working Group has encouraged the Secretariat to organize training sessions using innovative technology such as electronic learning programmes.

89. The Working Group has recommended that UNODC seek to forge more partnerships and coordinate additional technical assistance activities in matters related to asset recovery with other relevant organizations and bodies and has requested the Secretariat to promote ways and means for Member States to request technical assistance through the StAR Initiative at both the national and regional levels.

90. The Working Group has recommended that States parties consider adopting a curriculum approach to technical assistance programmes, with coordination at the regional level in order to ensure the most effective use of limited available resources.

91. In its resolution 6/3, the Conference urged States parties to ensure that they have adequate legal and institutional frameworks in place to prosecute corruption, to detect the illegal acquisition and transfer of assets derived from corruption, to request and provide international legal cooperation, including mutual legal assistance, to ensure that there are suitable mechanisms in place to recover through confiscation the identified proceeds of corruption, to enforce foreign conviction-based and non-conviction-based orders in accordance with the requirements of the Convention and to ensure that such frameworks are enforced, and encouraged technical assistance in this regard.

92. In its resolution 7/1, the Conference requested UNODC, and invited the StAR Initiative, to continue to provide and develop capacity-building initiatives on asset recovery, including knowledge products and technical tools, upon request and subject to extrabudgetary resources, in response to technical assistance needs identified during country reviews.

Action taken

93. UNODC has regularly responded to technical assistance requests by States parties in order to strengthen their capacity in implementing chapter V of the Convention and their full participation in the Mechanism, both before and after the official start of the second cycle of the Implementation Review Mechanism in June 2016.

94. In 2016 and 2017, UNODC facilitated regional and national training sessions on the second review cycle for focal points and reviewing experts from all States parties under review and all reviewing States.

95. UNODC, through the StAR Initiative and by other means, continued to provide demand-driven, country-specific assistance to States in their asset recovery efforts. In the reporting period, 24 countries and three regional networks were receiving such assistance, and new requests were received. In addition, UNODC and the StAR Initiative worked with a number of other jurisdictions and with regional and/or international organizations in areas such as capacity-building and technical assistance. A multitude of training events were delivered at the international, regional, and national levels on topics such as national coordination, international cooperation,

mutual legal assistance for asset recovery, financial investigations including the effective use of open-source data, the management and disposal of seized and confiscated assets, and the prevention of illicit financial flows.

96. Country engagements constituted the majority of the activities of the StAR Initiative. They are designed as multi-year programmes that cover a range of diverse activities including the establishment of asset recovery strategies and asset recovery and asset management offices, financial investigation techniques, asset disclosure, forensic audits to prepare cases, case management advice and the facilitation of contacts with other jurisdictions.

97. In the area of legislative assistance, UNODC has continued to work with States to assess their implementation of the provisions of chapter V of the Convention. In addition, UNODC and the StAR Initiative have responded to several other requests from States with respect to conducting desk reviews of legislation or assisting in drafting legislation.

D. Reporting and follow-up

98. The Working Group may wish to provide further guidance on the development of guidelines, good practices and other tools to improve the implementation of chapter V of the Convention.

99. Specific guidance with respect to future work could cover the following areas: non-binding guidelines for the effective management and disposal of seized and confiscated assets; non-binding guidelines for the proactive and timely sharing of information; the focus of work related to improving the transparency of beneficial ownership information; and developing good practices on asset return.

100. The Working Group may also wish to discuss how it sees its future role as a unique global gathering of experts in asset recovery and how that gathering could be used to enhance international cooperation in asset recovery, including by providing opportunities for case consultations on its margins.

101. In view of the recommendation to explore a help desk approach to asset recovery, the Working Group may wish to provide further guidance on such an approach and in particular on the role UNODC or the StAR Initiative could play in facilitating the process by, for example, referring requesters to counterparts who would be able to provide advice during the initial stages of a case.

102. The Working Group may also wish to provide further guidance on the options for collecting data on the volume of assets seized, confiscated and returned or disposed of by States.

103. In the areas of training and technical assistance, the Working Group may wish to provide guidance on the role of UNODC in the delivery of assistance at the national and regional levels, including through the StAR Initiative, and to encourage States to take advantage of available opportunities for capacity-building in the area of asset recovery.

104. More concretely, in the light of the progress made with the reviews relating to chapter V of the Convention, the Working Group may wish to consider how best to address the needs that are being identified in those reviews, so as to ensure that States parties can avail themselves of the expertise and assistance they need in a timely and effective manner.

105. The Working Group may wish to continue to encourage States to make use of their reviews under the second review cycle to enhance their implementation of chapter V of the Convention and request technical assistance to address any challenges identified.